

NEWARK HOUSING AUTHORITY

REPORTS

FROM THE GROUND UP (1958)

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up



HOUSING IN THE NEW NEWARK





One part of the Newark Housing Authority's contribution to the New Newark: A playground at Columbus Homes, once a badly blighted area.

ANN ZANE PHOTO

FROM THE GROUND UP

Newark has been rebuilding from the ground up. Housing, schools, office buildings and other structures have been changing the skyline. The Newark Housing Authority has built or started in the past four years more dwellings than in the preceding 14 years.

All this activity is much more than a building boom. Newark is being stirred by a civic boom that has no parallel in this century. A city that was sinking into stagnation during the postwar decade — a city that business and industry were preparing to move away from — staged a comeback almost overnight.

As many national magazines have reported, the turning point was July 1, 1954, when the old commission government was replaced by the mayor-council government under the new charter. Business and civic leaders took heart.

Five months later Mutual Benefit Life Insurance Company announced that instead of moving from the city it would build a new home office on Washington Park. "The recent change in the form of the Newark city government fosters the kind of good economic climate attractive to business interests," the company said. Prudential decided in 1955 to demolish its old buildings and erect new ones on its downtown site, instead of migrating to the suburbs.

Through the cooperation of the city administration and the Housing Authority, several industrial firms (such as Tung-Sol Electric Company, the Brewster-Ideal Chocolate Company and the Wilbur B. Driver Company) were given

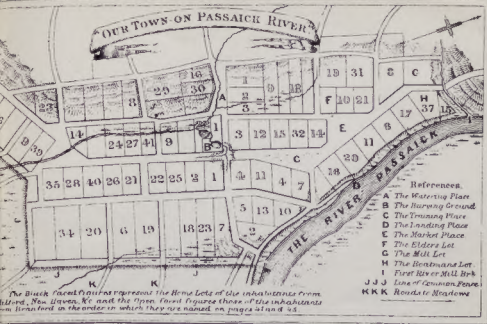
the facilities and utilities they needed for expansion in Newark. Many millions in annual payrolls were thus kept in the city.

Large building projects completed or initiated in the past four years total more than \$169,000,000:

Columbus Homes (1,556 apartments).....	\$ 20,000,000
Low-rent housing in the old Third Ward (1,206 apartments)	17,000,000
Additional low-rent housing in Central Ward, and for the elderly (2,500 apartments).....	35,000,000
Broad Street-Branch Brook Park middle- income housing (1,240 apartments).....	17,000,000
Prudential Insurance Company.....	20,000,000
Mutual Benefit Life Insurance Company.....	11,000,000
Mutual Benefit Garage.....	1,500,000
Blue Cross Building	2,000,000
494 Broad Street Building.....	2,000,000
Martland Medical Center	13,000,000
YM-YWCA Building	3,500,000
Clinton Place Junior High School.....	3,800,000
West Kinney Street Junior High School.....	3,800,000
Broadway School	4,500,000
Mount Vernon Elementary School.....	2,500,000
McKinley Elementary School.....	2,800,000
Norton, Lilly Terminal, Port Newark.....	10,000,000
	<hr/>
	\$169,400,000

There is plenty more to come. Mutual Benefit, for example, is ready to build two more office buildings in the Washington Park section as soon as suitable tenants are found. The Housing Authority is preparing to tackle one of the nation's largest urban renewal projects: 100 blocks in the old Third Ward. Another Authority project in the early planning stage is rebuilding of the down-at-the-heels Penn Plaza section.

These things are happening because Newark now has



Newark was generously planned to provide a town lot, meadow pasture and a woodlot for each family of settlers.

a good climate for growth. Mayor Leo P. Carlin, the members of the City Council, the leading businessmen and the Housing Authority are all working to put new life into an old city.

Citizen resources are being tapped on an unprecedented scale. The Mayor's Economic Development Committee, an advisory body of 18 executives from industry, labor, commerce and finance, has functioned imaginatively and effectively since it was set up in 1955. The Mayor's Commission for Neighborhood Conservation and Rehabilitation is studying methods of salvaging neighborhoods that have reached the brink of hopeless blight. The City Planning Board, long ineffectual for lack of a professional staff, was provided with manpower in 1956.

It was in October 1956 that people began talking about the "new Newark." And it was also in 1956 that Moody's rating for city bonds moved up from BAA to A. Newark has become a place where any investor could safely put his last dollar.



When old houses on overcrowded land become rooming houses, blight is around the corner.

REDEVELOPMENT

In proportion to population, Newark's redevelopment program is one of the largest in the nation.

The program so far embraces three areas:

1. The Broad Street-Branch Brook Park cleared site of 23½ acres, where construction of private apartment houses and shopping centers will begin late this spring.
2. The old Third Ward site of 70 blocks bounded by High Street on the east, Belmont Avenue on the west, Springfield Avenue on the north and Avon Avenue on the south. Here are the city's worst remaining slums. Of the 7,179 dwellings, 17 percent have no hot water, 7 percent have no private toilet, 23 percent have no bathing facilities, 59 percent are heated only by stoves, 62 percent are dilapidated and 70 percent are substandard because of one or more serious deficiencies.

Families from these miserable houses will be moved to modern apartments next year when 1,206 low-rent dwellings are completed on the four blocks bounded by Prince, Montgomery and Barclay Streets and Waverly Avenue. Construction of the new project began in April 1958. As more low-rent housing is built, more of the 5,000 slum dwellings will be demolished. Eventually the entire 70 blocks will be cleared or rehabilitated. Cleared land will be used for low-rent housing, middle-income housing, playgrounds, parks, a new school and a north-south expressway. There



Bigelow Street could be closed to traffic and made into an attractive mall, as the Planning Commission has proposed.

will be space for a Boys Club, YMCA, Friendly Neighborhood House, a municipal swimming pool and other facilities. This project has been approved for final planning by the federal government's Urban Renewal Administration.

3. Penn Plaza, the principal gateway to Newark, is a tremendous challenge. Here are 70 seedy acres, a conglomeration of parking lots, saloons and miscellaneous old buildings surrounding the one renovated structure, the State Office Building. The site is ideal for office buildings, department stores, hotels, luxury apartments, restaurants and parking garages. Because redevelopment would not involve either the razing or building of housing, the project is not covered by the federal law for redevelopment. Mayor Carlin has sponsored two bills to solve this dilemma. One in Congress, would give a local redevelopment agency the right to determine what projects to undertake. The other, passed by the state legislature, gives a municipality the right to handle redevelopment without federal aid.

Until 1949, when Congress wrote the redevelopment law, the Housing Authority's sole function was building and operating low-rent housing. Redevelopment is a legal and financial tool that enables cities to rebuild wornout areas.



This city-owned tract on Clinton Avenue, once the site of an orphanage, is to be converted into park and play space.

so as to serve modern needs. The city government and the local redevelopment agency choose a blighted area and prepare a plan for razing and rebuilding. The land can be used for housing, stores, industries, parks, schools, highways or other purposes that fit the city plan. When the project is approved by the Urban Renewal Administration, the federal government contributes two-thirds of the net cost of acquiring and clearing the land. The remaining third is paid by the city. Full credit is allowed the city for the value of any schools, utilities and other public works contributed to the project.

When the site is cleared, the Housing Authority sells or leases it to private developers or to public agencies for execution of the redevelopment plan.

The Mayor's Economic Development Committee has been concerned with the scarcity of industrial sites in Newark. Without additional land, some expanding industries will inevitably move to communities that offer plenty of elbow room. Redevelopment can provide many extra acres for industry.

There are 30 blighted blocks in the Central Ward, bounded by Springfield Avenue, Belmont Avenue, Bergen Street and Avon Avenue, and adjoining the 70 blocks al-

ready approved for redevelopment. This tract is served by a Pennsylvania Railroad spur and is close to main highways and Newark Airport. It would provide ideal sites for a number of light industries. The Housing Authority has applied for a preliminary planning loan to study the redevelopment possibilities.

How far Newark goes with redevelopment depends on how much low-rent housing is built. The areas that most need rebuilding are those now occupied by ancient slums filled with families who cannot pay rents of \$80 a month and higher. It is both morally and legally wrong to tear down these houses unless decent housing is provided elsewhere at rents the families can afford. The policy of the Housing Authority has been to push construction of low-rent housing so that redevelopment will not be hogtied.

Low-rent housing must be provided for families in slum areas before their old dwellings are demolished.



ANN ZANE PHOTO

MORE HOUSING

The scarcest thing in Newark today is a reasonably priced modern apartment for a middle-income family.

Since 1935, when the Prudential Insurance Company completed its Douglass and Harrison apartments, there has been only one sizable private project: Ivy Hill, with 2,095 apartments, finished in 1953. Nothing has been built in the downtown section.

As a first step in meeting the need, the Housing Authority has undertaken the Broad Street-Branch Brook Park redevelopment project adjoining the Lackawanna tracks. Construction of the tallest apartment buildings in New Jersey — 22 stories high — will begin in the late spring and the 1,240 apartments will be occupied in 1959.

This project will be operated as a strictly private venture. The developer will pay full taxes to the city. There will be no subsidy.

The Housing Authority is thoroughly qualified to build and operate middle-income housing, but it lacks authority under state law. Mayor Carlin is sponsoring three bills in the legislature to remove this handicap. When these bills are passed, the Authority will be able to provide unsubsidized housing for middle-income families who will pay the entire cost of financing and operating the projects.



*Low-rent public housing gets
children off the streets*

ANN ZANE PHOTO

*Sixty-eight percent of our
houses were built before 1920.
This one is showing its age.*

Newark's housing is older than you might think. Of the 127,400 dwellings, 68 percent were built before 1920 and 16 percent (20,600) are substandard. Many additional thousands are deteriorating. Unless rescued by the city's conservation and rehabilitation program, they will eventually sink into the slum category.

A shortage of housing always produces slums. Old buildings that should be razed are kept in use because of the demand for any kind of shelter. Other structures are subdivided, overcrowded and abused. High rents compel many families to double up.

The best way to combat slums is by increasing the supply of housing at rents that Newark's families can pay. Hence the Housing Authority is vitally concerned with building more low-rent apartments.

Newark's 13th low-rent project, occupying four blocks in the old Third Ward, will be finished in 1959. There will be 1,206 apartments, making a total of 8,591 dwellings under Authority operation.

Federal authorization for 2,500 additional low-rent dwellings, including 500 for aged couples or individuals has been received.



IT DOESN'T HURT

You have probably heard somebody say, "Sure, it's a good idea to get rid of slums, but how much of this low-rent housing can the Newark taxpayers afford?"

The answer is that the city of Newark does not contribute a single dollar to low-rent housing. The city's only contribution is partial exemption from municipal taxes. All other public property is fully exempt. The entire cost of building and operating public housing is covered by the rents paid by tenants and an annual subsidy paid by the federal government.

Far from dipping into the municipal treasury, the Housing Authority actually contributes to it. Each year the Authority pays the city 10 percent of its rent. For 1957 the payment was \$279,000. This doesn't hurt the other taxpayers one bit.

The Newark Housing Authority is one of the few agencies that have ever made a scientific study of the cost of slums. The Authority found that the difference between taxes paid and the cost of municipal services provided was about \$350 for the average slum dwelling. Newark has an estimated 20,600 substandard dwellings. They are costing

the city more than \$7,000,000 a year. The average Newark family spends \$1 a week to subsidize the slums. The only way to stop this waste of taxpayers' money is by building more low-rent housing for the families who need it.

The Housing Authority has made it possible to reduce the number of substandard dwellings from 28,000 to 20,600. The 7,400 decrease means an annual saving of about \$2,500,000 in the municipal subsidy to slums.

One thing is clear: There is no place for slums in the New Newark. We have got to finish the job of rebuilding from the ground up.

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ANN ZANE PH

Newark still has

20,600

substandard dwellings